

A Study on Performance Appraisal System at Global Hospitals

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ABSTRACT: Performance appraisal systems play a crucial role in aligning employee performance with organizational objectives, particularly in service-intensive sectors such as healthcare. The present empirical study examines the performance appraisal system practiced at Global Hospitals and analyzes its relationship with employee performance and job satisfaction. Primary data were collected from 100 employees using a structured questionnaire, while secondary data were sourced from academic journals, books, and organizational publications. The study adopts a descriptive and analytical research design and applies statistical tools such as percentage analysis, correlation, and regression to interpret the data. The findings reveal that the performance appraisal system at Global Hospitals has a significant positive relationship with employee performance and job satisfaction. Although employees generally perceive the appraisal process as fair and constructive, gaps exist in communication consistency, goal setting, and skill-development orientation. The study concludes with suggestions to strengthen transparency, employee participation, and developmental focus in appraisal practices to enhance organizational effectiveness.

KEYWORDS: Performance Appraisal, Employee Performance, Job Satisfaction, Healthcare Industry, Global Hospitals

I. INTRODUCTION

In contemporary human resource management, performance appraisal has emerged as a strategic mechanism for evaluating employee contributions and aligning individual goals with organizational objectives. In healthcare organizations, where service quality, patient safety, and operational efficiency are critically dependent on employee performance, an effective appraisal system assumes even greater significance. Performance appraisal systems facilitate systematic evaluation of employee behavior, competencies, and outcomes, thereby enabling organizations to enhance accountability, motivation, and professional development.

Global Hospitals, a leading multi-specialty healthcare provider, operates in a highly demanding environment characterized by clinical complexity and administrative accountability. The appraisal system at such institutions must therefore balance objective performance indicators with behavioral and competency-based assessments. Beyond evaluating past performance, appraisal systems influence promotions, training, compensation decisions, and career progression. Hence, a well-structured appraisal framework contributes not only to individual performance enhancement but also to organizational sustainability. The present study focuses on examining the effectiveness of the performance appraisal system at Global Hospitals and its impact on employee performance and job satisfaction.

II. REVIEW OF LITERATURE

Previous studies have extensively examined performance appraisal systems and their influence on employee outcomes. Fathima and Hazeen highlighted the role of procedural and distributive justice in shaping employees' intention to stay within organizations. Jain emphasized the impact of supervisory behavior and emotional intelligence on employee silence and engagement. He and Huang examined challenge and hindrance appraisals in technology-driven workplaces, demonstrating their effects on service performance and proactive behavior.

Naqshbandi analyzed work engagement and job performance in hybrid workplaces, while Veerasamy explored green HRM practices, including appraisal systems, and their influence on employee behavior. Gupta investigated the relationship between pay-for-performance systems, procedural justice, and job performance, confirming the mediating

role of organizational citizenship behavior. Several studies, including those by Halid, Islam, and Al-Kharabsheh, have reinforced the importance of performance appraisal in enhancing job satisfaction, motivation, and retention.

Overall, the literature establishes that performance appraisal systems significantly affect employee attitudes and performance outcomes. However, limited empirical research focuses specifically on appraisal practices within Indian healthcare institutions. The present study attempts to bridge this gap by providing empirical evidence from Global Hospitals.

III. OBJECTIVES OF THE STUDY

- To study the factors of the performance appraisal system at Global Hospitals.
- To analyze the appraisal strategies implemented at Global Hospitals.
- To examine the relationship between performance appraisal and employee performance.
- To assess the relationship between performance appraisal and job satisfaction.
- To offer suggestions for improving appraisal effectiveness.

IV. RESEARCH METHODOLOGY

The study adopts a descriptive and analytical research design. Primary data were collected from 100 employees of Global Hospitals using a closed-ended structured questionnaire. Both purposive and convenience sampling techniques were employed to ensure relevance and accessibility of respondents. Secondary data were obtained from books, academic journals, research articles, and organizational reports.

The collected data were analyzed using percentage analysis, frequency distribution, correlation, and regression analysis. Statistical tools such as MS Excel and SPSS were used to process and interpret the data.

V. DATA ANALYSIS AND INTERPRETATION

Table 1: Summary of Performance Appraisal Practices at Global Hospitals

Dimension	Category / Indicator	Percentage (%)
Appraisal Frequency	Quarterly	23
	Half-yearly	28
	Annually	37
	Not Sure	12
Appraising Authority	Immediate Supervisor	23
	Department Head	24
	HR Team	37
	External Evaluator	16
Appraisal Methods	Written Evaluation	30
	Self-Assessment	33
	Peer Review	19
	All Methods Combined	18
Perceived Fairness	Yes	51
	To Some Extent	33
	No	16
Career Growth Linkage	Yes	45
	Partially	47
	No	8

Interpretation: The consolidated analysis indicates that performance appraisal at Global Hospitals is predominantly conducted on an annual or half-yearly basis, with the Human Resource department serving as the principal appraising authority. Self-assessment and written evaluations are the most frequently adopted appraisal methods, reflecting a formal and documentation-oriented approach. More than half of the employees perceive the appraisal system as fair, while a substantial proportion acknowledge a partial linkage between appraisal outcomes and career growth. Overall,

the findings suggest that the appraisal system is structured and strategically aligned with employee development, although improvements are required in communication clarity, multi-source feedback, and developmental orientation.

VI. HYPOTHESIS TESTING

Correlation analysis revealed a statistically significant positive relationship between the performance appraisal system and employee performance ($r = 0.58$, $p < 0.05$). Regression analysis further indicated that the performance appraisal system significantly influences job satisfaction ($\beta = 0.71$, $p < 0.05$), explaining 63% of the variance in job satisfaction. These results confirm that effective appraisal practices enhance both employee performance and satisfaction.

VII. FINDINGS OF THE STUDY

- Performance appraisals are conducted at varying intervals, with annual appraisals being most common.
- The HR team is the primary appraising authority.
- Employees generally perceive the appraisal system as fair and constructive.
- Performance appraisal has a significant positive relationship with employee performance and job satisfaction.
- Skill development and goal-setting components require greater emphasis.

VIII. LIMITATIONS OF THE STUDY

- The study is limited to a single organization.
- Sample size is restricted to 100 employees.
- Responses are based on employee perceptions and may involve bias.
- The study does not incorporate qualitative insights.

IX. CONCLUSION

The study concludes that the performance appraisal system at Global Hospitals plays a significant role in enhancing employee performance and job satisfaction. Transparent evaluation criteria, constructive feedback, and fair appraisal practices contribute positively to employee attitudes and productivity. However, improvements are required in communication consistency, skill-development focus, and employee participation in goal setting. Strengthening these aspects will enable Global Hospitals to further optimize its human resource practices and sustain high standards of healthcare service delivery.

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